

Issa Asks for, Chairman Towns Threatens Subpoena of Sec. Geithner

WASHINGTON, D.C. – The Special Inspector General of the Troubled Asset Relief Program (SIGTARP) Neil Barofsky testified today at a hearing of the House Committee on Oversight and Government Reform that the Treasury Department has “repeatedly failed” to implement SIGTARP recommendations that would reveal how Treasury is using taxpayer dollars. At the conclusion of the hearing, Ranking Member Darrell Issa (R-CA) asked Chairman Towns to bring Treasury Secretary Timothy Geithner before the Committee to address the questions raised by SIGTARP’s report.

Said Issa, “Would [you Chairman Towns] consider bringing the Treasury Secretary here next to help close the loop on a lot of these areas of transparency?”

In his closing remarks, Chairman Edolphus Towns called for the Treasury Department to “publish full and detailed information on the use of TARP funds and published the value of the TARP portfolio on a monthly basis. They have that information and they should make it public, moreover, Treasury also requires the largest banks to file monthly reports showing the dollar value of new lending. That should be made public also. **If Treasury does not put this information up on its website, this Committee will and if Treasury does not turnover this information voluntarily Secretary Geithner will be brought before the Committee to explain why not.**”

“We heard today that full transparency, which we called for, the President asked for and this Administration promised, is being blocked by the bureaucracy which often says ‘just trust and we will deliver,’” Issa said. “Until we have full transparency, we will never be able to know how much risk Treasury is assuming on behalf of the taxpayers. This Administration promised an ‘unprecedented’ level of accountability and transparency. They set their own standard. Now we’re going to hold them to it.”

When President Obama came to office, he promised to implement TARP “with the highest degree of accountability and transparency possible.” As a presidential candidate, Mr. Obama criticized the Bush Administration’s “failure to track how the money has been spent.”

From SIGTARP’s Testimony:

“Although Treasury has taken some steps towards improving transparency in TARP programs, it has repeatedly failed to adopt recommendations that SIGTARP believes are essential to providing basic transparency and fulfill Treasury’s stated commitment to implement TARP ‘with the highest degree of accountability and transparency possible.’”

“Unfortunately, in rejecting SIGTARP’s basic transparency recommendations, TARP has become a program in which taxpayers (i) are not being told what most of the TARP recipients

are doing with their money, (ii) have still not been told how much their substantial investments are worth, and (iii) will not be told the full details of how their money is being invested. In SIGTARP's view, the very credibility of TARP (and thus in large measure its chance of success) depends on whether Treasury will commit, indeed as in word, to operate TARP with the highest degree of transparency possible."

[Click here](#) for Ranking Member Issa's statement.

[Click here](#) for Mr. Neil Barofsky's

testimony.

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